How Virtual Try-Ons May Threaten Luxury Brand Desirability

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Abstract

Research shows that Augmented Reality (AR) benefits brands by making products more engaging and experientially accessible. We argue that this logic does not fully extend to luxury brands. Across a qualitative study and three experiments, we show that AR-based virtual try-ons simultaneously enhance and undermine luxury brand desirability. AR increases desirability through hedonic benefits, yet it reduces perceived brand exclusivity by signaling broad experiential access—that is, that everyone can experience the brand. The negative exclusivity effect is strongest among status-oriented luxury consumers and can be mitigated through a managerial design choice: framing AR access as selective rather than universally available. Theoretically, our findings challenge the assumption that experiential accessibility is uniformly value-enhancing for brands and show how immersive technologies can erode symbolic value when desirability depends on exclusivity rather than functional evaluation.